



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

May 30, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**FIFTEEN-YEAR LEASE
DEPARTMENT OF PUBLIC SOCIAL SERVICES
335-337 EAST AVENUE K-10 LANCASTER
(FIFTH DISTRICT) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Mayor to sign the attached 15-year lease with Frank A. Visco, Landlord, for the occupancy of 22,040 rentable square feet of office space for the Department of Public Social Services (DPSS), General Relief (GR) and General Relief Opportunities for Work (GROW) programs at 335-337 East Avenue K-10, Lancaster, at an initial annual base rent of \$526,315 plus up to \$153,515 for furniture and additional tenant improvements, excluding utility costs. The rental cost is 11 percent net County cost and 89 percent subvented by State and Federal funds.
2. Authorize the Chief Administrative Office (CAO) to reimburse the landlord and acquire substitute financing for furniture systems for DPSS at a cost not to exceed \$600,000, amortized at a maximum of six and one-half percent over a 60 month period, or \$140,877 annually.
3. Authorize the Landlord and/or Director of Internal Services Department (ISD), at the discretion of the CAO to acquire a telephone system for DPSS at a cost not to exceed \$400,000. At the discretion of the CAO, all or part of the telephone, data, and low voltage systems may be paid in lump sum or financed over a 60 month term

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

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Fourth District

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Fifth District

not to exceed \$97,327 per year, in addition to other Tenant Improvement allowances.

4. Consider the attached Negative Declaration, together with the fact that no comments were received during the public review process, find that the project will not have a significant effect on the environment, find that the Negative Declaration reflects the independent judgment of the County to approve the Negative Declaration, find that the project will have no adverse effect on wildlife resources, and authorize the CAO to complete and file a Certificate of Fee Exemption for the project.
5. Approve the project and authorize the CAO, DPSS, and ISD to implement the project. The 15-year lease will commence upon completion of the improvements by the Landlord and acceptance of the improvements by the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

GR is a County-funded program that provides temporary cash to indigent adults and certain sponsored legal immigrant families who are ineligible for federal or state programs. The GROW program offers employment and training services and is designed to help GR participants obtain jobs and achieve self-sufficiency. Approval of this proposed lease will provide a regional consolidation of DPSS' GR and GROW programs in the Lancaster area.

DPSS proposes to relocate a total of 66 staff from the office space they currently occupy in Lancaster at 349 East Avenue K-6, and 15 staff from a 4,020 square foot facility located at 43770 15th Street West, Lancaster. The 15th Street West lease is not being renewed by the Landlord and the program has outgrown the 349 East Avenue K-6 offices. DPSS will use the existing office space at 349 East Avenue K-6 offices to address overcrowded conditions at the Lancaster district office.

Relocating and consolidating the programs from these two locations will help reduce overcrowding and improve delivery of services in a centralized location. The proposed facility is in close proximity to the County "Regional Center" located at Avenue K-6, Lancaster. The lease is for 15 years, cancelable after seven years or 10 years, and provide for the County's option to extend for two additional five-year terms.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we improve the workplace environment in order to enhance quality and productivity (Goal 2, Strategy 2). In this case, we are consolidating multiple departmental functions in leased space, in accordance with Strategic Asset Management Principles as further outlined in Attachment A.

FISCAL IMPACT/FINANCING

The annual base lease cost for the proposed facility will initially be \$526,315, which includes approximately \$1,432,600 in TI's provided at the sole cost of the Landlord. The Landlord will also provide an additional TI allowance of \$110,200 for construction, and \$600,000 for furniture which would both be amortized at eight percent interest over the 15-year lease term.

The \$600,000 furniture allowance may be repaid in lump sum payment within 60 days after commencement of the lease and submission of invoices by the Landlord. The County intends to lump-sum reimburse the Landlord for the furniture systems and acquire third party furniture financing at six and one-half percent interest to be repaid over a maximum 60 month term. The third party furniture financing would be in an amount not to exceed \$140,877 annually and would be approximately 89 percent offset by revenue from the DPSS 2006-07 operating budget.

335-337E AVENUE K-10 LANCASTER	PROPOSED FIFTEEN-YEAR LEASE
Area (Square feet)	22,040
Term	15 years (upon acceptance of space by County)
Annual Base Rent	\$526,315 / \$23.88/sq.ft. (includes \$1,432,600 in TI's provided by Landlord)
Maximum 1 st yr Rent	\$679,830*
Additional TI Construction	\$110,200 at 8 percent over 15-year term or \$12,638 annually
Furniture-Landlord Financed	\$600,000 Lump Sum payment within 60 days of lease commencement or \$68,807 annually amortized at 8 percent over the 15 year lease term.
Furniture-County Financed	\$600,000 (\$140,877 is cost of \$600,000 of furniture annually, financed over 60 months at six and one-half percent interest.)
Parking Included in Rent	125 off-street spaces
Cancellation	Cancellation rights at the end of the 84 th & 120 th month, on 180 days notice.
Option to Renew	Two five-year options (1st five-year option term is \$1.79 per sq. ft. monthly or \$21.48 sq. ft. annually/ 2 nd five-year option term is \$1.89 per sq. ft. monthly or \$22.68 sq. ft. annually.)
Rental Adjustment	None during the 15-year lease term.

*This includes Annual Base Rent of \$526,315 and reimbursement of \$12,638 for Additional TI's financed at eight percent over the 15-year term and \$140,877 for Furniture financed at six and one-half percent over a 60 month term which maximizes the total annual rent.

The monthly rent under the lease will continue to be a fixed rate of \$1.37 per square foot plus tenant improvements through the initial 15-year term. The rent will increase at the first option period to \$1.79 per square foot or \$39,451.60 monthly and the second option period rent will increase to \$1.89 per square foot or \$41,655.60 monthly.

Sufficient funding for the proposed lease will be included in the 2006-07 proposed Rent Expense budget and will be billed back to DPSS. DPSS will have sufficient funding in its 2006-07 proposed operating budget to cover the projected lease costs. The staff and other direct program costs associated with the General Relief/GROW programs are 100 percent NCC; however, space expense is included in the department's overhead allocated across all programs and is reimbursed on the Departmentwide 89 percent blended average.

The total estimated purchase cost for the telephone, data, and low voltage systems is not to exceed \$400,000 and shall be paid by the Department. Should the Landlord be able to provide the aforementioned work at a cost at or below the County's cost, the recommendation herein allows for the payment of these costs to the Landlord, or at the discretion of the CAO, all or part of these costs may be paid direct on a lump sum basis.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed lease provides 22,040 rentable square feet of office space and 125 off-street parking spaces. The lease contains the following provisions:

- The 15-year term of the lease begins upon completion of improvements by the Landlord and acceptance of the improvements by the County at a monthly base rent of \$43,859.
- A TI allowance to prepare the premises, per the submitted County preliminary plans and specifications, which are estimated to cost \$1,432,000, or \$65.00 per square foot, is included in the base rental rate for the renovation of the existing 22,040 rentable square feet.
- An additional TI allowance of up to \$110,200, or \$5.00 per square foot in reimbursable TI funds is also available for TI's which will be paid back to the Landlord, amortized at 8 percent over the 15-year term of the lease.
- An additional furniture allowance of up to \$600,000, or \$27.22 per square foot in reimbursable furniture improvement funds is also available, the actual cost of which may be paid back to the Landlord, in lump sum within 60 days of lease commencement or amortized at 8 percent over the 15-year term of the lease.
- The County can acquire third party furniture financing but cannot exceed \$600,000 amortized over 60 months at a maximum of 6.5 percent per annum.
- The Landlord will provide 125 parking spaces included in the rental rate, which is sufficient to meet the parking needs of the department.

- A cancellation provision is provided in the lease, allowing the County to cancel during the original term at the last days of the 84th and 120th month with not less than 180 days prior written notice and reimbursement to the Landlord the unamortized portion of the base \$1,432,600 in Landlord provided TI's, and additional TI's both amortized at 8 percent over the 15-year term.
- The County has two five-year options to renew the lease at a rate of \$1.79 per square foot during the initial five-year option period and \$1.89 per square foot during the second five-year option period.
- The lease is on a modified full-service basis whereby the Landlord will be responsible for all operating and maintenance costs excluding all utility services, exposed plumbing, lamps and tubes, interior walls, doors, janitorial services and supplies which are paid directly by the County.

CAO Real Estate staff surveyed Lancaster and the surrounding area to determine the market rate of comparable sites. Based upon said survey, staff has established that the base rental range including parking and TI for similar property is between \$23.50 and \$26 per square foot per year modified full-service. Thus, the base annual rent of \$23.88 per square foot for the base lease cost, is within market rate for this area. Attachment B shows County-owned and leased facilities within the search area for these programs and none are available to house these programs.

The proposed lease was submitted for review to your Board's appointed Real Estate Management Commission on April 19, 2006. After careful review, the Commission approved the proposed lease. The Auditor-Controller has reviewed the lease for compliance with Federal and State subvention guidelines and concurs that it meets the criteria for an Operating Lease. The Department of Public Works has not inspected this facility as it was built in 2004 and meets current standards for the County's occupancy.

The proposed leased premises has no additional space available to house a child care center. However, there are several private child care centers available for County employees within a three-mile radius of the subject location.

NEGATIVE DECLARATION/ENVIRONMENTAL IMPACT REPORT

The CAO has made an initial study of environmental factors and has concluded that this Project will have no significant impact on the environment and no adverse effect on the wildlife resources. Accordingly, a negative Declaration has been prepared and a notice posted at the site as required by the California Environmental Quality Act (CEQA) and the California Administrative Code, Section 15072. Copies of the completed Study, the resulting Negative Declaration, and the Notice of Preparation of Negative Declaration as posted are attached. No comments to the Negative Declaration were received. A fee must be paid to the State Department of Fish and Game when certain notices are filed with the Registrar-Recorder/County Clerk. The County is exempt from paying this fee when your Board finds that a project will have no impact on wildlife resources.

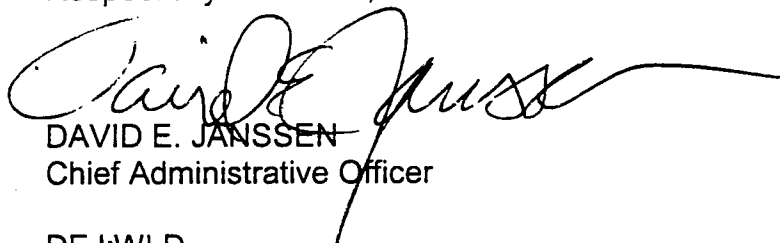
IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed Lease will provide the necessary office space for this County requirement. In accordance with your Board's policy on the housing of any County offices or activities, DPSS concurs in this recommendation.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return four originals of the executed lease and lease addendum, two certified copies of the Minute Order and the adopted, stamped Board letter to the CAO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,



DAVID E. JANSSEN
Chief Administrative Officer

DEJ:WLD
CEM:TS:hd

Attachments (3)

c: County Counsel
Auditor-Controller
Public Social Services
Internal Services Department

**DEPARTMENT OF PUBLIC SOCIAL SERVICES
335-337 EAST AVENUE K-10, LANCASTER**

Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
	A	Does lease consolidate administrative functions? ²		X	
	B	Does lease co-locate with other functions to better serve clients? ²	X		
	C	Does this lease centralize business support functions? ²			X
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² Ratio: 1/256 sf. Classroom and public areas for this use increases space per person.		X	
2.	<u>Capital</u>				
	A	Is it a substantial net County cost (NCC) program? 11% NCC, 89% State and Federal funding.		X	
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment B?	X		
	G	Was build-to-suit or capital project considered? No, size of project did not require build-to-suit or capital project because of availability of leased space.		X	
3.	<u>Portfolio Management</u>				
	A	Did department utilize CAO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?			X
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. <u>X</u> The Program is being co-located.			
	E	Is lease a full service lease? ² This is a modified full service lease where the County is responsible for certain maintenance and utility costs, including janitorial.		X	
	F	Has growth projection been considered in space request?	X		
	G	Has the Dept. of Public Works completed seismic review/approval?		X	
		¹ As approved by the Board of Supervisors 11/17/98			

²If not, why not?

Attachment B

**SPACE SEARCH – WITHIN SERVICE AREA OF DPSS CLIENT PARTICIPANTS
335-337 EAST AVENUE K-10, LANCASTER
DEPARTMENT OF PUBLIC SOCIAL SERVICES**

LACO	FACILITY NAME	ADDRESS	SQ. FT. GROSS	SQ. FT. NET	OWNERSHIP	SQ. FT. AVAIL
0059	PW Road –Div #551 Maintenance	4859 W Ave L-12 Quartz Hill	1,2501	1,125	OWNED	NONE
D620	Public Library-Quartz Hill	42018 N 50 th St. W., Quartz Hill	3,530	3,291	LEASED	NONE
B636	DPSS Lancaster Office Center	43770 N 15 th Street W, Lancaster	4,020	3,901	LEASED	NONE
A079	Assessor's Regional Office	251 E Avenue K-6, Lancaster	15,338	13,712	LEASED	NONE
A035	Board of Supervisors 5 th District Field Office	1113 W 4 th Street W, Lancaster	1,241	1,164	LEASED	NONE
X511	Antelope Valley Courthouse	42011 4 th St, W, Lancaster	389,000	267,610	FINANCED	NONE
A008	Antelope Valley Service Center	335 A E Avenue K-6, Lancaster	51,000	242,803	LEASED	NONE
A433	Antelope Valley Service Center B	349 A-B E Avenue K-6, Lancaster	51,000	33,932	LEASED	NONE
A492	DPSS Lancaster IHSS Annex	43424 Copeland Cir., Lancaster	2,400	2,280	LEASED	NONE
A192	Probation –Antelope Valley Area	321 E Avenue K-4, Lancaster	6,400	6,000	LEASED	NONE
X495	PW Waterworks North Maintenance Area	260 E Avenue K-8 Between K-8 and K-10, Lancaster	13,200	11,150	OWNED	NONE
A125	Lake Los Angeles Library	16921 E Avenue O, Palmdale	3,245	2,921	LEASED	NONE
A125	Lake Los Angeles Clinic	16921 E Avenue O, Palmdale	2,457	2,211	LEASED	NONE
A380	DPSS Antelope Valley GAIN	1050 E Palmdale Blvd., Palmdale	18,795	17,855	LEASED	NONE
A576	DCFS Palmdale District Office 4	39959 Sierra Highway, Palmdale	49,500	49,5000	LEASED	NONE

MAR 27 2000

COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE

LOS ANGELES, COUNTY CLERK

FIFTEEN-YEAR LEASE

NEGATIVE DECLARATIONI. Location and Description of the Project

The proposed project is for the County of Los Angeles to lease facilities at 335-337 East Avenue K-10, Lancaster, California, which will be used by the Department of Public Social Services for carrying out its general administrative functions. The facility, located in the Fifth Supervisorial District approximately 74 miles from the Los Angeles Civic Center, includes 18,840 square feet of office space. The Department shall have use of 120 off-street parking spaces for staff and available parking for visitors. The Landlord intends to enlarge the building by 4,000 square feet and pave the parking area to accommodate the future needs if any of the user but has no expansion plans beyond the scope of this project.

II. Finding of No Significant Effect

Based on the attached initial study, it has been determined that the project will not have a significant effect on the environment.

III. Mitigation Measures

None required.

INITIAL STUDY

I. Location and Description of Project

These proposed leased premises are located at 335-337 East Avenue K-10, Lancaster, located in the Fifth Supervisorial District approximately 74 miles northwest of the Los Angeles Civic Center and 6 West of the 14 freeway. (See attached map)

The building to be used is owned by Frank A. Visco and is intended for use as office space. Located at the site are 120 exclusive off-street parking spaces for Public Social Services' use and ample public parking located within the on-site parking lot and surrounding area.

This project consists of leasing this facility for 15 years in which will be located Department of Public Social Services' offices. It is anticipated that an average of 86 employees will be occupying the premises with the maximum employee occupancy anticipated to be 102 per day. In addition to the employees, it is anticipated that an average of 40 members of the public per day will be visiting the facility for normal administrative purposes. Expansion of existing premises will occur for this project including exterior alterations. Additionally, interior tenant improvements and furnishings, will be performed for this project.

II. Compatibility with General Plan

This project site is currently designated as Regional Center Commercial in the City of Lancaster General Plan and zoned LRSP. The proposed project would be consistent with these designations.

III. Environmental Setting

The project site is located in an area of commercial type facilities. The site includes approximately 95,396 square feet of developed property. The site is bordered by Capital Drive on the east side, East Avenue K-8 on the north side, and Division on the west side.

IV. Identification of Environmental Effects

- A. The impact of the proposed project on existing land forms will be negligible as no reshaping of the soil nor excavation nor foundations, utility lines, sewer lines or water lines is anticipated.
- B. The project will not conflict with adopted environmental plans and goals of the City of Lancaster.

- C. The project will not have a substantial demonstrable negative aesthetic effect on the site. The existing facility will be continued to be maintained as part of the lease arrangement.
- D. No rare or endangered species of animal or plant or the habitat of the species will be affected by the project. Nor will it interfere substantially with the movement of any resident fish or wildlife species or migratory fish or wildlife species.
- E. The project will not breach published national, state or local standards relating to solid waste or litter control.
- F. Development will not substantially degrade water quality, contaminate water supply, substantially degrade or deplete ground water resources, or interfere substantially with ground water recharge.
- G. There are no known archeological sites existing at the project site.
- H. The proposed project will not induce substantial growth or concentration of population.
- I. The project will not cause a substantial increase to existing traffic. Nor will it affect the carrying capacity of the present street system. This is a government use of private property for legal services purposes. The County's use is in conformance with uses approved by the City of Lancaster.
- J. The project will not displace any persons from the site.
- K. The project will not substantially increase the ambient noise levels to adjoining areas. Noise generated by the proposed County use does not exceed that previously experienced in the area when occupied by private tenants.
- L. The proposed developed project will not cause flooding, erosion or siltation.
- M. The project will not expose people or structures to major geologic hazards.
- N. The project will not expend a sewer trunk line. All necessary utilities are available currently to the facility.
- O. No significant increased energy consumption is anticipated by the County's use of the premises as compared to previous uses.

- P. The project will not disrupt or divide the physical arrangement of established community; nor will it conflict with established recreational, educational, religious or scientific uses of the area.
- Q. No public health or safety hazard or potential public health or safety hazard will be created by this project.
- R. The project will not violate any ambient air quality standard, contribute substantially to an existing or projected air quality violation, or expose sensitive receptors to substantial pollutant concentrations.

V. Discussions of Ways to Mitigate Significant Effects

The proposed project is not expected to create any significant effects on the environment. To mitigate any effects upon the surrounding community the following measures will be implemented:

- A. None Required.

VI. Initial Study Preparation

This study was prepared by Thomas Shepos of the Los Angeles County Chief Administrative Office, Real Estate Division. This study was completed on March 27, 2006.

NEGATIVE DECLARATION

Department Name: Public Social Services
Project: General Relief and General Relief Opportunity
for Work programs

Pursuant to Section 15072, California Environmental Quality Act and California Administrative Code Title 14, Division 6

1. Description of Project

The leasing of existing office space in an existing commercial building to be used by the County of Los Angeles, Department of Public Social Services as an administrative office.

2. a. Location of Project (plot plan attached)

335-337 East Avenue K-10
Lancaster, CA 93535

b. Name of Project Proponent

County of Los Angeles
Chief Administrative Office
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012

ORIGINAL FILED

MAR 27 2006

LOS ANGELES, COUNTY CLERK

3. Finding for Negative Declaration

It has been determined that this project will not have a significant effect on the environment based on information shown in the attached Environmental Information Form dated March 27, 2006 which constitutes the Initial Study of this project.

4. Initial Study

An Initial Study leading to this Negative Declaration has been prepared by the Chief Administrative Office and is attached hereto.

5. Mitigation Measures Included in Project

None required.

Date
March 27, 2006

Real Property Agent
Thomas Shepos

Telephone
(213) 974-4364

DATE POSTED – March 29, 2006

NOTICE OF PREPARATION OF NEGATIVE DECLARATION

This notice is provided as required by the California Environmental quality Act and California Administrative Code Title 14 Division 6, Section 15072 (a) (2) B.

A Negative Declaration has been prepared for this site based on an Initial Study which consists of completion and signing of an Environmental Information Form showing background information as follows:

1. Name of Proponent - County of Los Angeles
Chief Administrative Office
2. Address/Phone No. - 222 South Hill Street, 3rd Floor
Los Angeles, California 90012

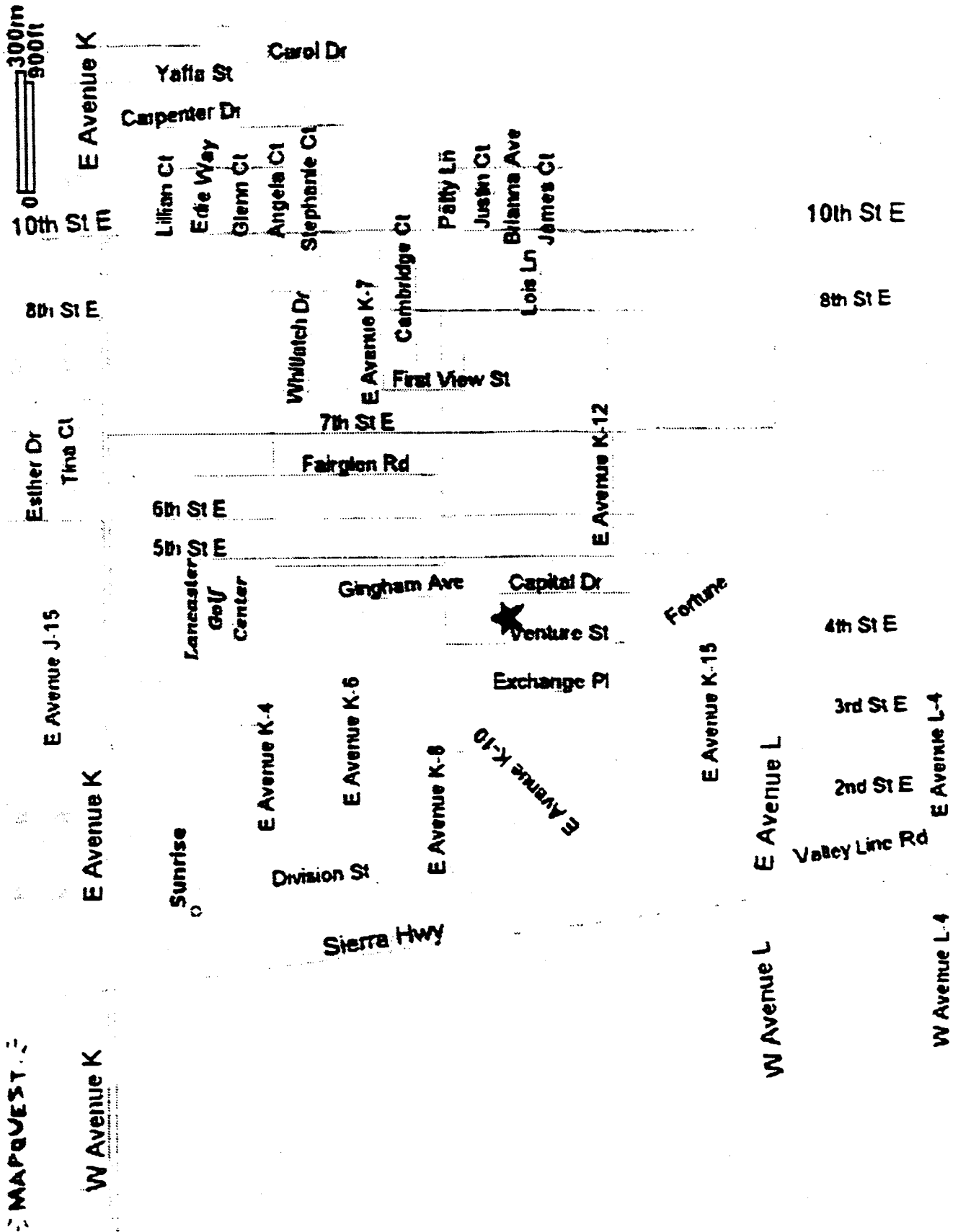
<u>Agent</u>	<u>Telephone</u>
Thomas Shepos	(213) 974-4364
3. Date Information Form Submitted – March 28, 2006
4. Agency Requiring Information Form - Los Angeles County
Chief Administrative Office
Real Estate Division
5. Name of Proposal, if Applicable -
6. Address of Facility Involved – 335-337 East Avenue K-10
Lancaster, CA 93535

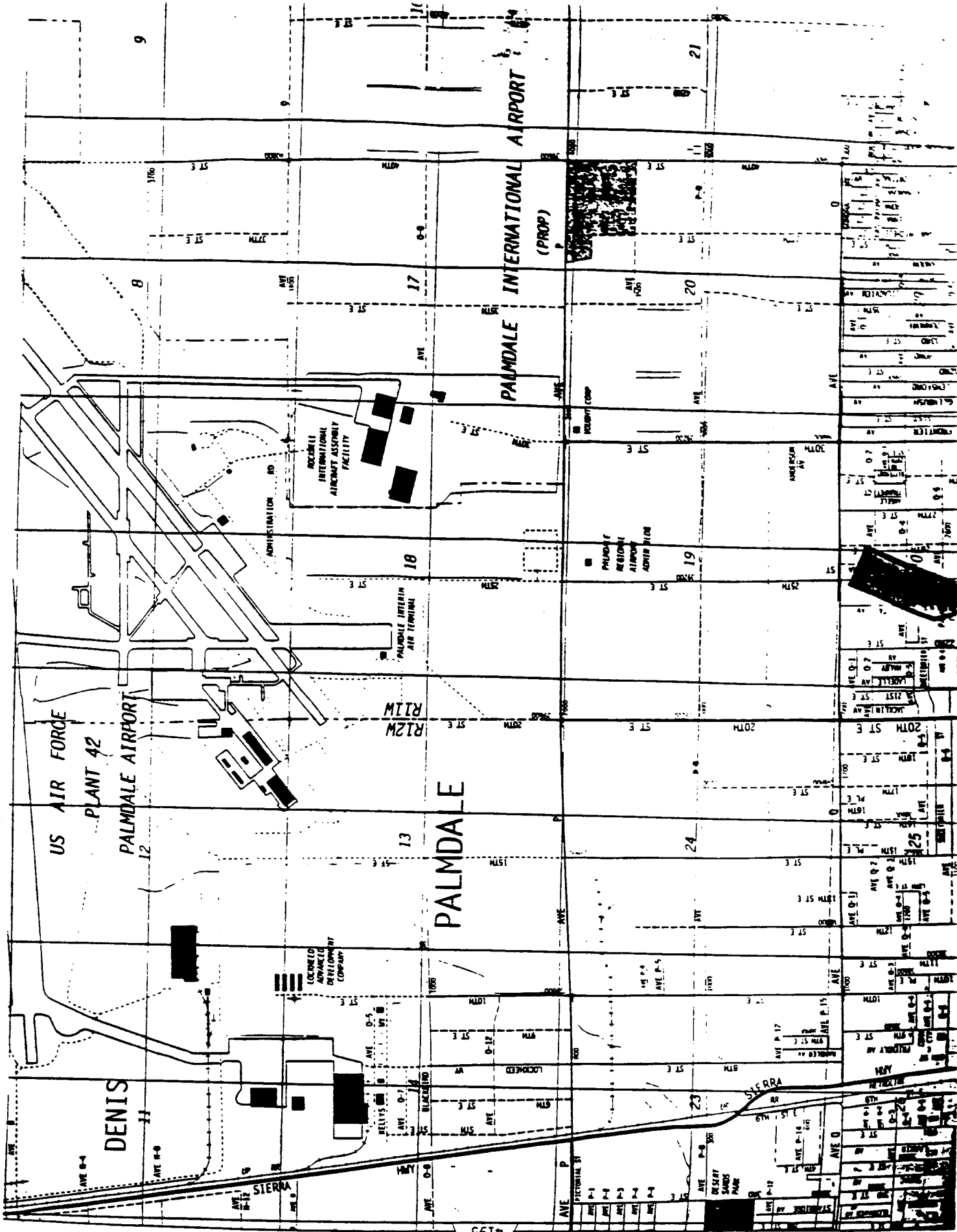
Interested parties may obtain a copy of the Negative Declaration and the completed Environmental Information Form/Initial Study by contacting the Real Property Agent indicated under 2 above and referring to the proposal by name or to the facility by address.

Si necesita informacion en espanol, por favor de comunicarse con Carlos Marquez, para asistencia en obtener una traduccion al numero (213) 974-4163.

ORIGINAL FILED
MAR 27 2006
LOS ANGELES, COUNTY CLERK

335 E Avenue K10
Lancaster CA
93535-4539 US





US AIR FORCE
PLANT 42

PALMDALE AIRPORT

PALMDALE INTERNATIONAL AIRPORT
(PROP)

PALMDALE

DENIS

LOCKHEED
INTERNATIONAL
AIRCRAFT ASSEMBLY
FACILITY

PALMDALE INTERIM
AIR TERMINAL

PALMDALE
REGIONAL
AIRPORT

LOCKHEED
ADVANCED
DEVELOPMENT
COMPANY

RESELY
SANDS
PARK

COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
LEASE AGREEMENT

DEPARTMENT: PUBLIC SOCIAL SERVICES, as Tenant

LANDLORD: FRANK A. VISCO,

335-337 EAST AVENUE K-10, LANCASTER

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COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
LEASE AGREEMENT

THIS LEASE AND AGREEMENT, made and entered into in duplicate original as of the 24th day of March, 2006 by and between Frank Visco ("Landlord"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION . The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

(a) Landlord's Address for Frank A Visco
Notice:

44824 N. Cedar Avenue

Lancaster , CA 93534

Off (661) 945-3494

Fax (661) 940-5404

(b) Tenant's Address for Board of Supervisors
Notice:

Kenneth Hahn Hall of Administration,
Room 383

500 West Temple Street

Los Angeles, California 90012

With a copy to:

Chief Administrative Office

Real Estate Division

222 South Hill Street, 3rd Floor

Los Angeles, California 90012

Attention: Director of Real Estate

Fax Number: (213) 217-4971

(c) Premises:

Approximately 22,040 rentable square feet in the Building (defined below) as shown on Exhibit A attached hereto.

(d) Building:

The building located at 335-337 Avenue K-10 which is located upon the real property described more particularly in Exhibit B attached hereto ("Property");

- (e) Term: 15 years commencing thirty (30) days after Tenant's Acceptance of the Premises as defined in Section 4(a) (the "Commencement Date"); and terminating at midnight on the day before the 15th anniversary of the Commencement Date ("Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
- (f) Projected Commencement Date: July 1, 2006
- (g) Commencement Date:
- (h) Irrevocable Offer Expiration Date: July 31, 2006
- (i) Basic Rent: \$43,859.60 per month (which is based upon a rental rate of \$1.99 per rentable square foot (adjustable only as provided in Section 2(b) hereof.))
- (j) Early Termination Notice Dates: at the 7th anniversary of the Commencement Date on 180 days prior notice and
at the 10th anniversary of the Commencement Date on 180 days prior notice
- (k) Rentable Square Feet in the Premises: 25,575
- (l) Use: General office use or for any other lawful purposes not incompatible with other uses in the Building.
- (m) Initial Departmental Use: DPSS /General Relief and GROW
- (n) Parking Spaces: 125

(o) Normal Working Hours: 7:00 a.m. to 7:00 p.m., Monday through Friday and 9:00 a.m. to 2:00 p.m. Saturday, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.

(p) Asbestos Report: A report dated _____ prepared by _____, a licensed California Asbestos contractor.

1.2 Defined Terms Relating to Landlord's Work Letter

(a) Base Tenant Improvement Allowance \$65.00 per square foot or \$1,432,600

(b) Additional Tenant Improvement Allowance \$5.00 per square foot or \$110,200

(c) Maximum Change Order Allowance None

(d) Additional Tenant Improvement and Change Order Amortization Rate: Amortized at 8% over the initial 15 years of the Lease; provided a finalized accounting of all Tenant Improvements has been provided by Landlord and reviewed and accepted by the County.

(e) Furniture Allowance and Amortization Rate \$27.22 per square foot or \$600,000. Amortized at 8% over the initial 15 years of the lease or payable in a lump sum payment within sixty (60) days after the Commencement Date; provided a finalized accounting of all Tenant Improvements have been provided by Landlord and reviewed and accepted by the County.

(f) Basic Rent Reduction Not applicable

(g) Tenant's Work Letter Representative Thomas Shepos or an assigned staff person of the Chief Administrative Office-Real Estate Division

(h) Landlord's Work Letter
Representative

Frank A. Visco

(i) Landlord's Address for
Workletter Notice

44824 N Cedar Avenue,
Lancaster , CA 93534

1.3 Tenant's Address for Workletter
Notice

Board of Supervisors
Kenneth Hahn Hall of Administration,
Room 383
500 West Temple Street
Los Angeles, California 90012

With a copy to:
Chief Administrative Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate
Fax Number: (213) 217-4971

1.4 Exhibits to Lease:

Exhibit A Floor Plan of Premises
Exhibit B Legal Description of Property
Exhibit C Commencement Date
Memorandum and Confirmation of Lease
Terms
Exhibit D HVAC Standards

Landlord's Work Letter
Addendum A: Base Building Improvements
Addendum B: Tenant Improvements
Addendum C: Form of Budget
Addendum D: Tenant Improvement Cost

1.5 Supplemental Lease
Documents: (delivered to Landlord and
made a part hereof by this reference):

Document I: Subordination, Nondisturbance
and Attornment Agreement
Document II: Tenant Estoppel Certificate
Document III: Community Business
Enterprises Form
Document IV: Memorandum of Lease
Document V: Request for Notice

2. PREMISES

(a) Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and Exhibit A attached hereto.

(b) Tenant shall have the right within ninety (90) days of approval of this Lease by the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable/usable area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI Z65.1-1996, as promulgated by the Building Owners and Management Association ("BOMA") International except that no penthouse mechanical room space shall be included in the measurement. Should this measurement be less than the square footage stated above, Tenant shall have the right to adjust such square footage and reduce the Basic Rent in Section 1 accomplished by the mutual execution of a memorandum of understanding between the Landlord and the Tenant. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no adjustment made to either the square footage or the Basic Rent in the event the measured square footage exceeds the amount represented by Landlord. Should Landlord and Tenant not agree with respect to the results of the measurement conducted pursuant to this subsection (b) Landlord shall appoint an independent firm or person who is experienced in making such measurements whose determination with respect which measurement is correct shall be final and binding upon the parties. Landlord and Tenant shall share equally in the fees of such firm.

3. COMMON AREAS. Intentionally Deleted

4. COMMENCEMENT AND EXPIRATION DATES

(a) Term. The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit C. The Commencement Date shall begin thirty (30) days after Tenant's Acceptance of the Premises. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Premises are Substantially Complete, Tenant has inspected the Premises and Tenant has accepted the Premises. The term "Substantially Complete" or "Substantial Completion" as used in this Lease shall mean compliance with all of the following: (1) the shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises; (2) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease, including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises; (3) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for the Building or its equivalent; and (4)

Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease.

Termination Right. If the Commencement Date has not occurred within sixty (60) days from the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays as provided in Landlord's Work Letter, which has been executed concurrently herewith, Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord and the parties shall have no further obligations to one another hereunder.

(b) **Early Possession.** Tenant shall be entitled to possession of the Premises not less than thirty (30) days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Such early occupancy shall be subject to all provisions hereof but shall not advance the Termination Date, and Tenant shall not pay Basic Rent for such early occupancy period.

(c) **Early Termination.** Tenant shall have two cancellation windows to terminate this Lease, the first right to cancel is at the 7th anniversary of the Commencement Date and the second termination right is at the 10th anniversary of the Commencement Date, as defined in Section 1, by giving Landlord not less than one hundred-eighty (180) days or more prior written notice executed by the Chief Administrative Officer of Tenant. In the event of such termination, Tenant shall pay Landlord a termination fee in an amount equal to the amount not paid by Tenant for the unamortized portion of the cost of the Base Tenant Improvements, Additional Tenant Improvements and items paid for from the Furniture Allowance, if any, at the amortization rate of 8% over the initial 15 years of the Lease term; provided a finalized accounting of all Tenant Improvements has been provided by Landlord and reviewed and accepted by Tenant.

5. **RENT.** Tenant shall pay Landlord the Basic Rent during the Term hereof within fifteen (15) days after a claim therefor for each such month has been filed by Landlord with the Auditor of the County of Los Angeles ("County") prior to the first day of each month. Basic Rent for any partial month shall be prorated in proportion to the number of days in such month. In the event California Revenue and Taxation Code section 51 is amended to allow additional increases to commercial property taxes over and above the limitations in effect as of the execution of this Lease ("Increased Tax"), Tenant will pay as additional rent the amount of the Increased Tax assessed against the Building.

6. **USES.** The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose; however, Landlord shall not unreasonably withhold its consent to a change of use.

7. **HOLDOVER.** If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term of this Lease, such occupancy shall be a tenancy which is terminable only upon ninety (90) days written notice from Landlord or thirty (30) days written notice from the Chief Administrative Officer of Tenant at the last monthly Basic Rent payable under this Lease (as such Basic Rent may be adjusted from time to time in accordance with this Lease) plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. **COMPLIANCE WITH LAW.** Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

9. **DAMAGE OR DESTRUCTION.**

(a) **Damage.** In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days, then Landlord shall promptly, at Landlord's expense, repair such damage and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made untenable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises tenantable again using standard working methods. The failure to do so shall be a material Default hereunder. Basic Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

(b) **Tenant Termination Right.** In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than one hundred eighty (180) days for any reason, then Tenant may terminate this Lease by giving written

notice within ten (10) days after notice from Landlord specifying such time period of repair; and this Lease shall terminate and the Basic Rent shall be abated from the date the Premises became untenable. In the event that Tenant does not elect to terminate this Lease, Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided insurance proceeds are available to repair the damages.

(c) Damage In Last Year. Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, either Landlord or Tenant may terminate this Lease by giving notice to the other not more than thirty (30) days after such destruction, in which case (a) Landlord shall have no obligation to restore the Premises, (b) Landlord may retain all insurance proceeds relating to such destruction, and (c) this Lease shall terminate as of the date which is thirty (30) days after such written notice of termination..

(d) Default By Landlord. If Landlord is required to repair and restore the Premises as provided for in this Section and Landlord should fail to thereafter pursue said repair and restoration work with reasonable diligence to completion, Tenant may (a) declare a default hereunder or (b) perform or cause to be performed the restoration work and deduct the cost thereof plus interest thereon at ten percent (10%) per annum, from the Basic Rent next due as a charge against the Landlord.

10. REPAIRS AND MAINTENANCE.

(a) Landlord Representations. Landlord represents to Tenant that (i) the Premises, and the Building (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including use the Americans With Disabilities Act; and are in reasonable good working order and condition; (ii) the Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirements; and (iii) the Premises, and Building are free of the presence of any Hazardous Materials (as hereinafter defined) and (iv) Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

(b) Landlord Obligations. Landlord shall keep and maintain in good repair and working order and promptly make repairs to and perform

maintenance upon and replace as needed: (i) the structural elements of the Building, including without limitation, all permanent exterior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems, mechanical (including HVAC equipment) and telephone intrabuilding network cable (ii) fire/life safety systems serving the Building (iii) exterior doors, windows and plate glass and the exterior parking lot and landscaping. Without limiting the foregoing, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by Tenant, which approval shall not be unreasonably withheld or delayed, (b) be at least equal in quality, value and utility to the original work or installation, (c) be in accordance with all laws.

(c) Tenant Obligations. Tenant shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace whether or not the need for such repairs occurs as a result of Tenant's use of such portion of the Premises including: (i) all equipment and facilities, including without limitation, exposed plumbing, light bulbs and tubes, interior surfaces of exterior walls, interior walls, and floor and window coverings. Tenant shall supply its own janitorial service and supplies.

(d) Tenant's Right to Repair. If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to or of any portion of the Building structure and/or the Building systems and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant may proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities). Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within ten (10) days, Tenant shall be entitled to deduct from Basic Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 14.

11. SERVICES AND UTILITIES.

Landlord shall furnish the following services and utilities to the Premises:

(a) HVAC. Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings.

(b) Electricity. Landlord shall furnish to the Premises the amount of electric current provided for in the Working Drawings but in any event not less than seven (7) watts of electric current (connected load) per square foot of Rentable Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or subpanels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

(c) Water. Landlord shall make available water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

Notwithstanding the above, Tenant agrees to pay when due all charges for the consumption of the electricity, gas, trash, water, and reimburse Landlord for graffiti removal and pest control in connection with the Premises during the term of this Lease or renewal, extension, or holdover thereof, provided the utilities are measured by separate meter, which shall be installed at the sole cost of the Landlord.

(d) Access. Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven (7) day per week, twenty-four (24) hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building.

12. LANDLORD ACCESS. Tenant shall permit Landlord and its agents to enter the Premises upon prior written notice for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or Premises, Basic Rent shall be prorated based upon the percentage of the Premises or Building rendered untenable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency.

13. TENANT DEFAULT.

(a) Default. The occurrence of any one or more of the following events (a "Default") shall constitute a material default and breach of this Lease by Tenant:

(i) the failure by Tenant to make any payment of Basic Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder), as and when due and if the failure continues for a period of ten (10) days after written notice to Tenant;

(ii) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (30) days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

(b) Termination. Tenant agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

(c) No Effect on Indemnity. Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

14. LANDLORD DEFAULT.

(a) Remedies. In addition to the provisions for Landlord's default provided by Sections 9(d), 10(c) 19 and 20(b), Landlord shall be in default in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10(c)) ; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such five (5) day period, Landlord shall not be deemed to be in default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the default by Landlord ("Landlord Default") is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein: (i) to remedy such default or breach and deduct the costs thereof (including but not limited to attorneys' fees) plus interest at the rate of ten (10%) per annum from the installments of Basic Rent next falling due; (ii) to pursue the remedy of specific performance; (iii) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Basic Rent next coming due; or (iv) to terminate this Lease.

(b) Waiver. Nothing herein contained shall relieve Landlord from its duty to affect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

(c) Emergency. Notwithstanding the foregoing cure period, Tenant may cure any default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition or materially and adversely affect the operation of Tenant's business in the Premises.

15. ASSIGNMENT AND SUBLETTING. Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent: provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16. ALTERATIONS AND ADDITIONS.

(a) Landlord Consent. Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If Landlord fails to respond in writing within thirty (30) days of such request, Landlord shall be deemed to approve the Alterations.

(b) End of Term. Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

17. CONDEMNATION.

(a) Controlling Terms. If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor, either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

(b) Total Taking. If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises ("Date of Taking").

(c) Partial Taking. If any portion, but not all, of the Premises is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined ("Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than thirty (30) days nor later than ninety (90) days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Tenant. If Tenant does not so notify Landlord within thirty (30) days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated.

(d) Restoration. Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises so that the area of the Premises and the space available for parking, will be substantially the same after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within ninety (90) days after Landlord so notifies Tenant, this Lease shall continue in effect. All obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

(e) Award. The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.

(f) Waiver of Statute Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the superior court to terminate this Lease in the event of a partial taking of the Premises.

18. INDEMNIFICATION.

(a) Tenant's Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including

attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act or omission or willful misconduct of Tenant or its employees or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees.

(b) Landlord's Indemnity. Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests, or visitors or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

19. INSURANCE.

(a) Landlord's Insurance.

During the term of this Lease, Landlord shall maintain the following insurance:

(i) Commercial property insurance which shall (1) cover damage to Landlord's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism to the extent such coverage is reasonably available and priced at commercially reasonable rates) and (2) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value.

(ii) General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following: (1) per occurrence and general aggregate amount of \$5,000,000; (2) products/completed operations aggregate of \$2,000,000 and (3) personal and advertising injury of \$1,000,000.

(iii) Failure by Landlord to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease shall constitute a material breach of this Lease.

(b) Insurance Requirements. All insurance policies required to be maintained by Landlord under this Lease shall be issued by insurance companies which have a Best's Rating of "AVII" or better and which are qualified

to do business in the State of California. All liability and property damage and other casualty policies of Tenant shall be written as primary policies, not contributing with, and not in excess of coverage which Landlord may carry.

(c) Certificates. Landlord shall deliver to Tenant on the Commencement Date of this Lease and thereafter at least fifteen (15) days prior to expiration of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates must document that each party has named the other as an additional insured (or its equivalent) on its general liability and property insurance policy, and that Tenant has been named a loss payee on Landlord's commercial property insurance policy, as required. Further, all certificates shall expressly provide that no less than thirty (30) days' prior written notice shall be given to Tenant in the event of material change to, expiration or cancellation of the coverages or policies evidenced by the certificates.

(d) Waiver of Subrogation. Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Landlord shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Tenant.

20. PARKING.

(a) Tenant's Rights.

Tenant shall have the right to the number of exclusive reserved parking stalls set forth in Section 1 without charge for the Term of this Lease. No tandem parking shall be permitted and Tenant shall be entitled to full in/out privileges. Tenant acknowledges that all other parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other occupants, licensees, invitees and permittees of the Building.

(b) Remedies.

Landlord acknowledges that it is a material term of this Lease that Tenant receive all of the Parking Spaces to which it is entitled under this Lease for the entire Term of this Lease and that it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, if any of the Parking Spaces required above are not available to Tenant, (in addition to the rights given to Tenant under Section 14 and Sections 9 and 17 in the event of casualty or condemnation) Tenant may (i) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter or (ii) deduct

from the Basic Rent thereafter accruing hereunder an amount each month equal to \$75 per parking space.

21. ENVIRONMENTAL MATTERS

(a) Hazardous Materials. Tenant shall not cause nor permit, nor allow any of Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects.

As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas

(b) Landlord Indemnity. Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, Building or other violation of laws relating to Hazardous Materials other than caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall

promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

22. ESTOPPEL CERTIFICATES. Tenant shall, within thirty (30) days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit "E" attached hereto and incorporated herein, but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

23. TENANT IMPROVEMENTS. Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in the Landlord's Work Letter executed by Landlord and Tenant concurrently herewith.

24. LIENS. Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

25. SUBORDINATION AND MORTGAGES

Subordination and Non-Disturbance.

(a) Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit "F" attached hereto and incorporated herein, and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase or right of first offer to purchase the Property which may be included herein.

(b) Notice of Default. If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any notice of Default served upon Landlord hereunder which could permit Tenant to terminate this Lease and an additional ten (10) days within which to cure such Default.

26. SURRENDER OF POSSESSION. Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

27. SIGNAGE. Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances.

28. Quiet Enjoyment. So long as Tenant is not in default hereunder, Tenant shall have the right to the quiet and peaceful enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

29. GENERAL

(a) Headings. Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

(b) Successors and Assigns. All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

(c) Brokers. Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation.

(d) Entire Agreement. This Lease (and the Landlord's Work Letter and Supplemental Lease Documents) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to the right of first refusal to purchase the Property and to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

(e) Severability. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other

provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

(f) Notices. All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

(g) Governing Law and Forum. This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

(h) Waivers. No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

(i) Time of Essence. Time is of the essence for the performance of all of the obligations specified hereunder.

(j) Consent. Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefore, together with all necessary information.

(k) Community Business Enterprises. Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit "F" attached hereto and incorporated herein.

30. AUTHORITY. Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors,

either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by County. County shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Administrative Officer of the County or its delegee ("Chief Administrative Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Basic Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an Early Termination Notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

31. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

(a) Consideration of GAIN Program Participants. Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment, openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

(b) Solicitation of Consideration. It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord with the implication, suggestion or statement that the landlord's provision of the consideration may secure more favorable treatment for the landlord in the award of the Lease or that landlord's failure to provide such consideration may negatively affect the County's consideration of the landlord's offer to lease. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the Lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213)

974-0914 or (800) 544-6861. Failure to report such solicitation may result in the landlord's submission being eliminated from consideration.

(c) Landlord Assignment.

(i) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Basic Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.

(ii) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.

(iii) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of the California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the County.

(iv) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the County may impose damages in an amount equal to the greater of (a) \$500,000 or (b) 10% of the aggregate principal portion of all rental payments payable by the County during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.

(v) Landlord shall give the County notice and a copy of each Security Agreement and any other instrument relating thereto (including, but not limited to, instruments providing for the payment of Basic Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.

(vi) Landlord shall not furnish any information concerning County or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the County) to any person or

entity, except with County's prior written consent. Landlord shall indemnify, defend and hold County and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section.

(vii) The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not.

32. **IRREVOCABLE OFFER.** In consideration for the time and expense that Tenant will invest, including, but not limited to, preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.

33. **OPTION TO EXTEND.**

(a) **Terms of Options.** Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have two (2) options to renew this Lease for an additional period of sixty (60) months each (respectively, the "First Extension Term" and the "Second Extension Term", and collectively, the "Extension Term(s)").

(b) **Exercise of Option.** Tenant must exercise its options to extend this Lease by giving Landlord written notice of its election to do so no later than ninety (90) days prior to the end of the initial Term, or the First Extension Term, as applicable.

(c) **Terms and Conditions of Extension Terms.** The Extension Terms shall be on all the terms and conditions of this Lease, including Rent stated in (d) below [except that Landlord shall have no additional obligation for free rent, leasehold improvements or for any other tenant inducements for the Extension Terms]. In no event shall Landlord be responsible for payment of any brokerage fees or commissions to any broker or finder retained by Tenant or representing Tenant.

(d) **Rental Rate during Extension.** Tenant shall pay rent during the extension term as follows:

First Option Period	\$1.79 per Square foot or \$39,451.60 based on 22,040 rentable square feet
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Second Option Period \$1.89 per Square foot or \$41,655.60 based on 22,040
rentable square feet

34. FIRST RIGHT OF REFUSAL to PURCHASE PROPERTY.

(a) Landlord must inform County of its intent to sell the building and deliver a copy of the written and executed purchase and sale agreement between Landlord and a third party and a notice of intent to sell on the terms and conditions set forth in such executed purchase and sale agreement which shall be deemed incorporated therein ("Notice of Intent"). Provided that the Landlord has not given written notice that a material Default has occurred and is continuing under the Lease at the time the Notice of Intent is given, Tenant shall have the option to purchase the Landlord's interest and improvements (which is described in Exhibit A hereto) on the terms and conditions set forth in the Notice of Intent, except as otherwise provided herein. If Tenant intends to exercise this option, it shall give written notice of such intention to Landlord, stating the proposed closing date of the sale ("Closing Date"), which shall be no later than six (6) months thereafter and enclosing the form of a written purchase and sale agreement and escrow instructions in the form then customarily used by Tenant ("Purchase Contract"). Landlord and Tenant shall mutually agree to the final form of the Purchase Contract by which Landlord shall agree to convey the Property and Tenant shall agree to purchase the Property for the purchase price set forth in the Notice of Intent on or before the Closing Date on the terms and conditions set forth herein. Landlord and Tenant shall execute such Purchase Contract thereafter and deliver a copy thereof to an escrow holder selected by Tenant. Escrow fees shall be shared equally by both parties. Prorations of expenses of the Property and the payment of closing costs shall be shared in accordance with the custom then prevailing in Los Angeles County except as otherwise provided herein. The terms of this Lease shall continue to be in effect until the Closing Date of Tenant's purchase of the Property, at which time this Lease shall be automatically terminated. If for any reason the escrow is cancelled, this Lease shall continue to be in effect.

(b) The purchase shall be subject to (a) a review of the feasibility, zoning, environmental, title and other matters affecting the Property during a period of ninety (90) days after execution of the Purchase Contract, and (b) approval of the proposed purchase of the Property by the Board of Supervisors. If Tenant is not satisfied with the results of such review, in its absolute discretion, or if the purchase of the Property is not approved by the Board of Supervisors, the Purchase Contract may be terminated by Tenant by written notice to Landlord with no further obligation or liability. Landlord shall cooperate with Tenant by permitting access to the Property for purposes of making such inspections as are reasonable and customary and shall deliver such information concerning the Property as may be reasonably requested.

(c) Landlord shall convey good and marketable fee title to the Property and improvements to Tenant at the closing and shall, at its expense,

deliver to Tenant at the Closing Date, a standard coverage CLTA policy of title insurance in the amount of the purchase price insuring that fee title is vested in Tenant subject only to such matters as Tenant has approved. Except as set forth above, the sale of the Landlord's fee interest in the Property and improvements shall be on an "as-is" basis.

IN WITNESS WHEREOF this Lease has been executed the day and year first above set forth.

LANDLORD:

Frank A. Visco

By:

Name: Frank A. Visco

Its: _____

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate

By:

Name: _____

Mayor, Board of Supervisors

ATTEST:

Sachi A. Hamai
Executive Officer- Clerk
of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

County Counsel
RAYMOND G.FORTNER JR.

By: Kathleen D. Felice
Kathleen Felice
Principal Deputy

FLOOR PLAN OF PREMISES

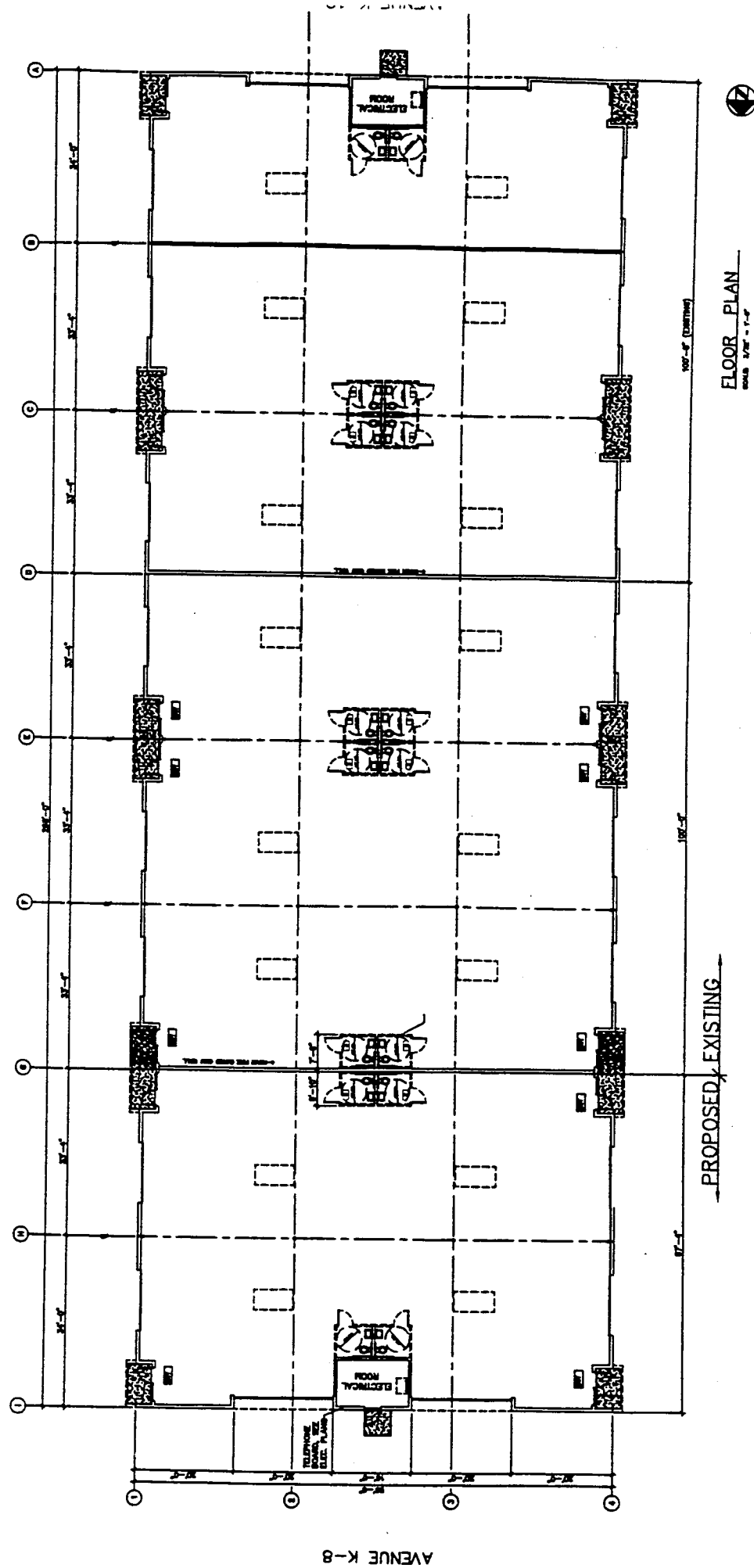


EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

PARCEL 1: (APN 3126-027-121)

Lot 26 and the easterly 104.32 feet of Lot 27 of Tract 48978, in the City of Lancaster, as per map filed in Book 1180 Pages 52 – 67 inclusive of Maps, in the office of the County Recorder of said County, as per lot line adjustment, LLA No. 98-08, a copy of which is recorded May 18, 1999 as Instrument No. 99-0902214, Official Records.

PARCEL 2: (APN 3126-027-122)

Lot 21 and the easterly 104.32 feet of Lot 20 of Tract 48978, in the City of Lancaster, as per map filed in Book 1180 Pages 52 – 67 inclusive of Maps, in the office of the County Recorder of said County, as per lot line adjustment, LLA No. 98-08, a copy of which is recorded May 18, 1999 as Instrument No. 99-0902214, Official Records.

EXHIBIT C

COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain lease ("Lease") dated _____, 2006, between County of Los Angeles, a body politic and corporate ("Tenant"), and Frank A. Visco ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 335-337 East Avenue K-10, Lancaster, CA ("Premises"),

Landlord and Tenant hereby acknowledge as follows:

(1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____ ("Possession Date");

(2) Tenant has accepted possession of the Premises and now occupies the same;

(3) The Lease commenced on _____ ("Commencement Date");

(4) The Premises contain _____ rentable square feet of space; and

(5) Basic Rent Per Month is _____.

IN WITNESS WHEREOF, this Memorandum is executed this ____ day of _____, 200__.

"Tenant"

"Landlord"

COUNTY OF LOS ANGELES,
a body politic and corporate

_____,
a _____

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT D

HVAC STANDARDS

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

SUPPLEMENTAL LEASE DOCUMENTS

For

**COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
LEASE AND AGREEMENT**

DEPARTMENT: PUBLIC SOCIAL SERVICES, as Tenant

LANDLORD: FRANK A. VISCO

335-337 EAST AVENUE K-10, LANCASTER

Document I - Subordination, Nondisturbance and Attornment Agreement

Document II - Tenant Estoppel Agreement

Document III - Community Business Enterprises Form

Document IV - Memorandum of Lease

Document V - Request for Notice

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DOCUMENT I

**SUBORDINATION, NONDISTURBANCE
AND ATTORNMENT AGREEMENT**

AND WHEN RECORDED MAIL TO:)

County of Los Angeles)

Chief Administrative Office)

Real Estate Division)

222 South Hill Street)

3rd Floor)

Los Angeles, California 90012)

Space above for Recorder's Use

**SUBORDINATION, NONDISTURBANCE
AND ATTORNMENT AGREEMENT**

NOTICE: THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination, Nondisturbance and Attornment Agreement ("Agreement") is entered into as of the ____ day of _____, 200__ by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant"), Frank A. Visco, ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated _____ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a nondisturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, right of first offer to lease additional premises or option to purchase the Property or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination..

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Nondisturbance. The enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not (a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease including Borrower; or (b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease; or (c) be bound by any prepayment by Tenant of more than one month's installment of rent; or (d) be obligated for any security deposit not actually delivered to Purchaser; or (e) be bound by any modification or amendment of or to the Lease unless the amendment or modification shall have been approved in writing by the Lender.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section..

To Lender: _____

To Borrower: _____

To Tenant: County of Los Angeles
Chief Administrative Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

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TENANT: COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

BORROWER: *[Insert name of Landlord]*

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender],*

By: _____
Name: _____
Title: _____

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EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

PARCEL 1: (APN 3126-027-121)

Lot 26 and the easterly 104.32 feet of Lot 27 of Tract 48978, in the City of Lancaster, as per map filed in Book 1180 Pages 52 – 67 inclusive of Maps, in the office of the County Recorder of said County, as per lot line adjustment, LLA No. 98-08, a copy of which is recorded May 18, 1999 as Instrument No. 99-0902214, Official Records.

PARCEL 2: (APN 3126-027-122)

Lot 21 and the easterly 104.32 feet of Lot 20 of Tract 48978, in the City of Lancaster, as per map filed in Book 1180 Pages 52 – 67 inclusive of Maps, in the office of the County Recorder of said County, as per lot line adjustment, LLA No. 98-08, a copy of which is recorded May 18, 1999 as Instrument No. 99-0902214, Official Records.

DOCUMENT II
TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

Attn: _____

Re: Date of Certificate: _____
 Lease Dated: _____
 Current Landlord: _____
 Located at: _____
 Premises: _____
 Commencement Date of Term: _____
 Expiration Date: _____
 Current Rent: _____

County of Los Angeles ("Tenant") hereby certifies that as of the date hereof:

1. Tenant is the present owner and holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

 (b) The current Rent is set forth above.

 (c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

 (d) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

 (e) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified changed, altered or amended and is in full force

and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

[(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.]

(b) The interest of Tenant in the Lease has not been assigned or encumbered. Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease except as set forth in the Lease. No rental payments have been made more than one month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full and all of Landlord's obligations with respect to tenant improvements have been fully performed.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

COUNTY OF LOS ANGELES

By: _____

Name: _____

Title: _____

DOCUMENT III

COMMUNITY BUSINESS ENTERPRISES FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. On final analysis and consideration of lease will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR Section 23.5.

I. MINORITY/WOMEN PARTICIPATION IN FIRM (Partners, Associates Partners, Managers, Staff, etc.)

FIRM: NAME

ADDRESS

CONTACT

TELEPHONE NO.

TOTAL NUMBER OF EMPLOYEES IN FIRM: _____

	OWNERS/PARTNERS ASSOCIATE PARTNERS	MANAGERS	STAFF
Black/African American	_____	_____	_____
Hispanic/Latin America	_____	_____	_____
Asian American	_____	_____	_____
Portuguese American	_____	_____	_____
American Indian/ Alaskan Native	_____	_____	_____
All Others	_____	_____	_____
Women (Should be included in counts above <u>and</u> also reported here separately)	_____	_____	_____

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

TYPE OF BUSINESS STRUCTURE:

_____ (Corporation, Partnership, Sole Proprietorship, etc.)

TOTAL NUMBER OF OWNERSHIP/PARTNERS, ETC.: _____

PERCENTAGE OF OWNERSHIP

Black/African American _____
Hispanic/Latin American _____
Asian American _____
Portuguese American _____
American Indian/ _____
Alaskan Native _____
All Others _____
Women _____
(Should be included in counts
above and also reported
here separately)

III. CURRENT CERTIFICATION AS MINORITY/WOMEN-OWNED FIRM

IS YOUR FIRM CURRENTLY CERTIFIED AS A MINORITY OWNED BUSINESS
FIRM BY THE:

State of California?	Yes	No
City of Los Angeles?	Yes	No
Federal Government?	Yes	No

IV. FIRM'S DESIRE NOT TO RESPOND TO INFORMATION

WE DO NOT WISH TO PROVIDE THE INFORMATION REQUIRED IN THIS
FORM.

Firm Name:

Signed:

Date:

Title:

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DOCUMENT IV

MEMORANDUM OF LEASE

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

County of Los Angeles
Chief Administrative Office
Real Estate Division
222 South Hill Street
3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between Frank A. Visco, (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant") who agree as follows:

Landlord and Tenant hereby enter a Lease of certain property (the "Lease") in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 20____, and ending on a date _____ () years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in a certain unrecorded Lease between Landlord and Tenant dated _____, 200__.

[Tenant has the option to extend the term of the Lease for a period of ____ () years, subject to the terms and conditions of the Lease.]

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions. and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Dated: _____, 20__.

LANDLORD:

TENANT:

By: _____

By: _____

Its: _____

Its: _____

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DOCUMENT V
REQUEST FOR NOTICE

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

County of Los Angeles
Chief Administrative Office
Real Estate Division
222 South Hill Street
3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

REQUEST FOR NOTICE

(UNDER SECTION 2924B CIVIL CODE)

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust described below:

Date of Recording of Deed of Trust

Instrument Number of Deed of Trust

Trustor

Trustee

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Beneficiary

be mailed to County of Los Angeles, Chief Administrative Office, Real Estate Division,
222 South Hill Street, 3rd Floor, Los Angeles, California 90012, Attention: Director of
Real Estate.

"LENDER:

_____,
a _____

By: _____
SIGNEE'S NAME

Its: SIGNEE'S TITLE

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

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COUNTY OF _____ ss.

On this _____ day of _____, 20____, before me, _____
_____ a Notary Public in and for the State of California, personally appeared _____
_____ personally known to me (or proved on the
basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

WITNESS my hand and official seal

Signature _____

My commission expires _____.

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LANDLORD'S WORK LETTER

For

**COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
LEASE AND AGREEMENT**

DEPARTMENT: PUBLIC SOCIAL SERVICES, as Tenant

LANDLORD: FRANK VISCO

335-349 EAST AVENUE K-10, LANCASTER

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease dated _____, 20__, executed concurrently herewith, by and between Frank Visco _____ as Landlord, and COUNTY OF LOS ANGELES as Tenant, ("Lease") covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

1. Basic Work Letter Information. The following terms as used herein shall have the meanings provided in this Section unless otherwise specifically modified by provisions of this Work Letter.

(a) <u>Base Tenant Improvement Allowance</u>	\$1,432,600.00 (i.e., \$ 65.00 per rentable square foot of the Premises)
(b) <u>Additional Tenant Improvement Allowance</u>	\$110,200 (i.e., \$5.00 per rentable square foot of the Premises)
(c) <u>Maximum Change Order Allowance</u>	None
(d) <u>Additional Tenant Improvement Amortization Rate:</u>	8 % per annum
(e) <u>Furniture Allowance</u>	\$600,000 (i.e., \$227.32 per rentable square foot of the Premises)
(f) <u>Basic Rent Reduction per \$1,000</u>	N/A
(g) <u>Tenant's Work Letter Representative</u>	Thomas Shepos or an assigned staff person of the Chief Administrative Office-Real Estate Division
(h) <u>Landlord's Work Letter Representative</u>	Frank Visco
(i) <u>Landlord's Address for Work Letter Notice</u>	44824 N. Cedar Avenue Lancaster, CA 93534
(j) <u>Tenant's Address for Work Letter Notice</u>	Board of Supervisors Kenneth Hahn Hall of Administration Room 383 500 West Temple Street Los Angeles, California 90012 With a copy to: Chief Administrative Office-

	Real Estate Division 222 South Hill Street, 3 rd Floor Los Angeles, California 90012 Attention: Director of Real Estate Fax Number: (213) 217-4971
(k) Addenda	Addendum A: Base Building Improvements Addendum B: Tenant Improvements Addendum C: Form of Budget Addendum D: Costs of Tenant Improvements

2. Construction of the Building.

2.1 Base Building Improvements. Landlord has constructed or shall construct the base Building improvements as a part of the Building described on Addendum A hereto ("Base Building Improvements"). To the extent that the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall be considered Tenant Improvements (as defined below) only to the extent such changes or additions are specifically described in Addendum B hereto.

2.2 Additional Costs Not Tenant Improvement Costs

(a) In the event that the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred had the Building been in compliance with such codes, such costs shall not be included in the calculation of Tenant Improvement Costs as defined below and Tenant shall have no financial responsibility for such costs.

(b) Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or make existing building systems, including, but not limited to, electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Tenant Improvement Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "Sick Building Syndromes", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease, or (v) supervision or overhead costs of Landlord.

(c) Landlord shall be solely responsible for all costs and expenses necessary to increase permitted structural floor loading in order to accommodate Tenant's libraries, file rooms, unusual live loads and other such uses.

2.3 Base Building Plans. Landlord has delivered to Tenant "as built" plans and specifications for the Building in an AutoCAD 2000 format. In the event Tenant incurs additional

costs because such plans and specifications are incomplete or inaccurate, such increased costs will be reimbursed to Tenant and any delay caused thereby shall not be a Tenant Delay, as defined below.

3. **Selection of Architect and Engineer.** Landlord shall promptly solicit at least three (3) proposals from qualified licensed architects ("Architect") and engineers ("Engineer") familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings as defined below. The Architect and the Engineer shall be selected by Landlord subject to Tenant's consent, which consent shall not be unreasonably withheld, and which consent (or refusal to consent for reasonable reasons) shall be granted within three (3) business days after Landlord has submitted the name of the Architect and the Engineer to Tenant together with detailed proposals outlining the cost for design/engineering services. This procedure shall be repeated until the Architect and the Engineer is/are finally approved by Tenant and written consent has been delivered to and received by Landlord.

4. **Selection of Contractor** The Final Plans, as defined below, and a proposed construction contract approved by Tenant, shall be submitted to contractors, selected by Landlord and approved by Tenant, sufficient in number so that a minimum of three (3) bids are received. Each approved contractor shall be requested to submit a sealed fixed price contract bid price (on such contract form as Landlord shall designate) to construct the Tenant Improvements designated on the Final Plans. Landlord and Tenant shall jointly open and review the bids. Landlord and Tenant, after adjustments for inconsistent assumptions, shall select the most qualified bidder offering the lowest price and such contractor ("Contractor") shall enter into a construction contract ("Construction Contract") with Landlord consistent with the terms of the bid to construct the Tenant Improvements.

5. **Preparation of Plans and Specifications and Construction Schedule.**

5.1 **Preparation of Space Plan.** Concurrently with the execution of this Lease, Tenant shall submit to Landlord a space plan and specifications for the Premises showing all demising walls, corridors, entrances, exits, doors, interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room ("Space Plan").

5.2 **Preparation and Approval of Working Drawings.** Within ten (10) days of the date the Space Plan is submitted to Landlord ("Plan Submission Date"), Landlord shall instruct the Architect to commence preparation of Working Drawings (the "Working Drawings"), which shall be compatible with the design, construction and equipment of the Building, comply with all applicable laws, be capable of physical measurement and construction, contain all such information as may be required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and contain all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times. Landlord shall provide Tenant the Working Drawings, or such portion as has from time to time been submitted, for review. Landlord shall be solely responsible for insuring that the Working Drawings fully comply with all applicable building codes and are free from errors or omissions on the part of the Architect.

5.3 **Preparation and Approval of Engineering Drawings.** Landlord shall cause the Architect to coordinate all engineering drawings prepared by the Engineer, showing complete mechanical, electrical, plumbing, and HVAC plans ("Engineering Drawings") to be integrated into

the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has approved the Engineering Drawings, Landlord shall cause the Architect to integrate the approved Working Drawings with the approved Engineering Drawings (collectively, "Final Plans") and deliver five (5) sets of the Final Plans to Tenant. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the layout, improvement and finish of the Premises consistent with the design and construction of the Base Building Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements) and power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements.

5.5 Approval of Plans by Tenant. Approval by Tenant shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements.

5.6 Schedule. Within thirty (30) days after the Plan Submission Date, Landlord shall submit to Tenant a detailed construction schedule, subject to approval by Tenant which approval shall not be unreasonably withheld, setting forth the dates specific completion of certain project benchmarks including, but not limited to, completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of construction contract, construction commencement, construction completion, Projected Commencement Date and other similar dates. As the construction continues, Landlord shall amend the schedule from time to time to reflect any changes to the projected dates.

6. Final Construction Budget and Payment of Tenant Construction Costs

6.1 Construction Budget. Within three (3) days after the Plan Submission Date, Landlord shall submit to Tenant a preliminary budget ("Preliminary Budget") in a format similar to Addendum C attached hereto. Such budget shall be revised into final form within ten (10) days from of the date the Contractor is selected and will be referred to herein as the "Final Construction Budget". Tenant shall have five (5) days from the date of receipt of the Final Construction Budget to approve or disapprove the Final Construction Budget. Construction of the Tenant Improvements shall not begin until such time as Tenant indicates its approval or disapproval of the Final Construction Budget or the five (5) day period expires without any response from Tenant. In the event Tenant disapproves the Final Construction Budget due to matters related to cost and the Final Construction Budget is ten percent (10%) or more higher in cost than was projected in the Preliminary Construction Budget, then any delay caused by the necessity to rebid or redesign the Tenant Improvements shall not be considered a Tenant Delay. Landlord shall review the Space Plan, Working Drawings, Engineering Drawings and Final Plans at its sole cost and expense. No fee for profit, overhead or general conditions in connection with the construction of the Tenant Improvements shall be included in the Final Construction Budget unless approved by Tenant.

6.2 Additional Tenant Improvement Allowance. All improvements required by the Working Plans and modular furniture described in the Modular Specifications, as further described

in Addendum B hereto, shall be Tenant Improvements and shall be at Landlord's sole cost and expense ("Tenant Improvements"). Costs of Tenant Improvements shall include costs for furniture, telecommunications equipment, soft costs and any other costs designated in writing by Tenant in the aggregate not to exceed the Base Tenant Improvement Allowance, the Additional Tenant Improvement Allowance and costs of Change Orders, as defined below ("Tenant Improvement Costs"). Landlord shall be solely responsible for any delay or increased cost in completing the Tenant Improvements except for delays or costs arising from Tenant Delays as defined below. It is anticipated that the Tenant Improvement Costs will exceed the Tenant Improvement Allowance so that Tenant may authorize Landlord to pay the overage in an amount not exceeding the Additional Tenant Improvement Allowance. The amount of the Additional Tenant Improvement Allowance shall be paid to Landlord as provided herein.

6.3 Method of Payment. That portion of the Additional Tenant Improvement Allowance used to pay for the Tenant Improvement Costs may, at Tenant's election be paid to Landlord (i) in a lump sum when the Tenant Improvements are Substantially Complete, or (ii) in amortized monthly payments over the term of the Lease at the Tenant Improvement Amortization Rate. Tenant may at any time during the Term prepay Landlord in a lump sum for all or any portion of the Tenant Improvement Costs, amortizing any remaining amount in monthly payments over the term of the Lease at the Tenant Improvement Amortization Rate.

7. Construction of Tenant Improvements.

7.1 Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto. If any work required by the Final Plans is not described on Addendum B hereto the work shall be performed by Landlord at its own cost and expense and not included in the cost of Tenant Improvements.

7.2 Bids. Unless waived by Tenant in writing, any major contractors, subcontractors and materials providers providing labor and/or materials for the Tenant Improvements shall be selected only after at least three (3) bids have been solicited from responsible and qualified persons. Landlord shall submit at least three (3) sealed fixed price bids for the construction of the Tenant Improvements to Tenant for its review prior to the award of the Construction Contract. The bids shall be jointly opened and reviewed. The bids shall include an itemized list of all materials and labor and shall include all additional costs, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Three (3) bids for the purchase and installation of the office furniture system, prepared by the furniture dealer, shall be included in the construction estimates, if applicable.

(a) Permits. Landlord shall secure the approval of governmental authorities, and all permits required by governmental authorities having jurisdiction over such approvals and permits for the Tenant Improvements, promptly after approval of the Final Plans.

(b) Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within fifteen (15) days after issuance of all such necessary permits. Landlord shall commence and, once commenced, shall thereafter diligently proceed to construct and complete all Tenant Improvements, subject to any cessation that may be caused by Force Majeure Delays.

7.3 Construction. Construction of the Tenant Improvements will be subject to the following terms and conditions:

(a) Notice of Nonresponsibility. Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant.

(b) Decorating Decisions. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, carpeting and any or all other decorator selection efforts required by Tenant, shall be provided by Landlord at Landlord's expense in accordance with Tenant's Space Plan. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises themselves or in other areas utilized by Landlord or its contractors, and agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of substandard work performed by Landlord's contractor or contractors (as reasonably determined by Tenant according to the usual standards of work in the Building) or as a result of inadequate clean-up.

(d) Compliance with Laws. Construction of the Tenant Improvements shall comply with all applicable laws and regulations and shall be subject to the general inspection of Tenant. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including, but not limited to, all provisions of the Labor Code of the State of California. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of workman or mechanic needed for the construction of the improvements. Particulars of the current Prevailing Wage Scale, as approved by the Board of Supervisors which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site.

7.4 Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted on three and one-half inch (3½") 1.4Mb magnetic media diskettes in Auto CAD R 12.dwg (or later version) format or .DXF format, along with one complete set of mylar transparencies of drawings and one complete set of specifications.

8. Change Orders. Tenant and Landlord may make changes, additions, deletions or alterations in the Final Plans ("Change Order") provided both Tenant and Landlord approve such changes in writing. The amount of the Maximum Change Order Allowance set forth in Section 1 has been authorized by the Board of Supervisors of the County to be used to pay the costs of all authorized Change Orders but only the Chief Administrative Officer is authorized to approve Change Orders on behalf of Tenant and then only if the aggregate amount of such approved Change Orders does not exceed the Maximum Change Order Allowance. Tenant may elect to pay for Change Orders (a) in a lump sum upon Substantial Completion of the Tenant Improvements, or (b) amortize the costs over the term of the Lease at the Change Order Amortization Rate per month for each ONE THOUSAND DOLLARS (\$1,000.00) of Change Order costs. Landlord shall submit to the Chief Administrative Officer with each requested Change Order (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Change Orders previously approved, and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved. Each Change Order must be signed and dated by the Chief Administrative Officer.

9. **Furniture System**

9.1 Tenant shall deliver to Landlord within ten (10) days after execution hereof, modular furniture plans and specifications ("Modular Specifications"). Based on the Modular Specifications, Landlord and /or Landlord's architect, shall prepare a modular furniture specifications bid package for submission to no less than three (3) furniture vendors. Prior to submission for bids, Landlord shall review the bid package with Tenant and Tenant shall have the right to approve or disapprove the bid package. Landlord shall provide at its cost the modular furniture set forth in the Modular Specifications and shall not be responsible for the cost of such modular furniture in excess of the Furniture Allowance. Tenant shall reimburse the Landlord in a lump sum within sixty (60) days after the Commencement Date, provided a finalized accounting of all tenant improvements have been provided by Landlord and reviewed and approved by the County.

9.2 Tenant may opt to finance the lump-sum payment for the cost of modular furniture through lease-purchase financing with a third-party Vendor (Creditor"). In the event the Tenant elects to enter into a lease-purchase financing of the furniture and telecommunications equipment ("Personal Property") through a Creditor, Landlord expressly agrees as follows:

(a) The Personal Property shall not become part of the realty or real property, but shall remain personal property removable by the Creditor and its assigns, provided that any damage occasioned by such removal shall be repaired by Creditor.

(b) Landlord shall be notified by Creditor of any plan by Creditor to remove the Personal Property.

(c) This section shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

(d) Landlord does hereby waive any right to gain possession of any of Personal Property during the term of this Lease.

10. **Tenant Improvement Costs Adjustment and Right to Audit.** Within five (5) days of the issuance of a Certificate of Occupancy, or a final sign-off by the City of Los Angeles, which ever occurs first, Landlord shall provide to Tenant a statement showing in reasonable detail all Tenant Improvement Costs and the total amount payable hereunder by Tenant to Landlord. Upon approval of the statement by Tenant, payments by either party pursuant to the Lease and this Landlord's Work Letter shall be adjusted as appropriate, based upon such statement. Tenant shall have the right to audit these costs for a period of twenty-four (24) months from the date of acceptance by Tenant of the Premises. In the event the audit shows that Tenant is entitled to a reduction in payments to the Landlord under this Landlord's Work Letter, Tenant shall provide Landlord with a copy of the audit summary and Landlord shall pay Tenant the amount of any over-payment made by Tenant within thirty (30) days and future payments shall be adjusted as appropriate based upon the audit results.

11. **Exclusions.** The Tenant Improvement cost shall not include any costs incurred for asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. All work for required asbestos abatement, fire sprinkler system, or air conditioning system conversion shall be performed at the sole cost and expense of Landlord.

12. **Telephone/Computer Room and Equipment.** Landlord shall complete the telephone equipment room(s) including permanent power and HVAC, in compliance with the Space Plan and specifications provided by Tenant, at least thirty (30) days prior to the Projected Commencement Date. During this thirty (30) day period, the Landlord shall be responsible for any telephone/data equipment delivered to the site for programming prior to the Projected Commencement Date.

13. **Delay.**

13.1. **Tenant Delays and Force Majeure Delays.** Except as set forth herein, no delay in the completion of construction of the Tenant Improvements shall be considered in the determination of the Commencement Date of the Lease and, except as set forth herein or in the Lease, under no circumstance shall Tenant be charged with any delay whatsoever as a result of delay in the construction of Tenant Improvements. Subject to the provisions of Section 13.2, the Projected Commencement Date set forth in the Lease shall be extended one (1) day for each day that: (i) Tenant fails or refuses to give authorizations or approvals within the time periods required herein but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "Tenant Delay(s)"); or (ii) Substantial Completion of the Tenant Improvements is delayed by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, riot, war, act of a public enemy, sabotage or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)").

13.2. **Limitations.**

(a) **Notice.** No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless Landlord has provided written notice, within forty eight (48) hours of the event giving rise to such claim, in compliance with the Lease, to Tenant specifying that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction or circumstances qualify as a Tenant Delay or Force Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred only commencing as of the date Tenant received such notice from Landlord.

(b) **Mitigation.** Tenant Delays and Force Majeure Delays shall delay the Projected Commencement Date only in the event that Substantial Completion of the Tenant Improvements is delayed, despite Landlord's reasonable efforts to adapt and compensate for such delays, which efforts Landlord shall be obligated to make (provided such additional cost incurred by Landlord due to such effort does not exceed \$1,000 on a cumulative basis, unless Tenant agrees to pay to such excess).

(c) **Concurrent Delays.** Tenant Delays and Force Majeure Delays shall be recognized hereunder only to the extent the same are not concurrent with any other Tenant Delay or Force Majeure Delay which is effective hereunder. For example, if there are ten (10) days of Tenant Delays and four (4) days of Force Majeure Delays which occur during the same ten (10) day period of such Tenant Delays, then the Projected Commencement Date would be extended by only ten (10) days; on the other hand, if such Tenant Delays and Force Majeure Delays did

not occur during the same period, the Projected Commencement Date would be extended by fourteen (14) days.

(d) Change Orders. Landlord may not claim that a Change Order requested by Tenant was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the Change Order authorization.

14. Tenant Remedies. If Landlord fails to obtain the building permit to construct the Tenant Improvements within a reasonable time, taking all factors into consideration, or if Tenant Improvements have not been completed within sixty (60) days from the Projected Commencement Date, Tenant may, at its option:

14.1. Cancel the Lease upon thirty (30) days written notice to Landlord; or

14.2. Upon thirty (30) days written notice to Landlord, assume the responsibility for providing the Tenant Improvements itself. If Tenant elects to provide tenant improvements itself, then:

(a). Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises and the Building at all reasonable times for the purpose of constructing the Tenant Improvements and for any other purposes reasonably related thereto; and

(b). Rent shall be reduced by Tenant's total expense in constructing the Tenant Improvements, including any financing charges for capital and a reasonable amount for its administrative costs, and including interest at the rate of six percent (6%) ("Tenant's Total Expense"). The rent reduction schedule shall be as mutually agreed to between the parties or, if no such agreement is made, Tenant's Total Expense shall be fully amortized in equal monthly amounts over five (5) years and deducted from the rent payable hereunder.

Any default by Landlord under the terms of this Landlord's Work Letter shall constitute a default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

15. Representatives.

(a) Tenant Representative. Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Landlord's Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of Tenant as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.

(b) Landlord Representative. Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Landlord's Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.

16. Construction Meetings. During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week, unless Tenant directs otherwise, at a time and place which is mutually convenient. An initial construction meeting shall be held within five (5) days of the date the Contractor is selected.

17. **Delivery.** Delivery of all plans and drawings referred to in this Work Letter shall be by commercial messenger service or personal hand delivery, unless otherwise agreed by Landlord and Tenant.

LANDLORD:

a _____

By: _____

Name: _____

Title: _____

Date Signed: _____

TENANT:

COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____

Name: _____

Title: _____

Date Signed: _____

ADDENDUM A To Landlord's Work Letter

BASE BUILDING IMPROVEMENTS

Landlord has constructed (or will construct) the Building to include the following:

(a) the Building shell and exterior, including perimeter window frames, mullions and glazing in good condition;

(b) the core area, including mechanical, electrical, sprinkler, plumbing, life safety, heating, air conditioning, ventilation and structural systems within the Building core, stubbed out to the face of the core wall at locations determined by Landlord;

(c) men's and women's toilet rooms, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(d) unpainted exterior dry wall or lath and plaster covering the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows;

(e) public stairways;

(f) passenger and freight elevators;

(g) parking facilities;

(h) ground floor lobby;

(i) finished elevator lobbies (with carpet, lights, finished walls and ceiling);

(j) exterior plazas and landscaping;

(k) loading dock and/or area;

(l) drinking fountains at the core;

(m) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;

(n) conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the telephone closets on floor, in which case Landlord, at no cost to Tenant and without deduction from the Tenant Improvement Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);

(o) two (2) 208/120 and one (1) 480/277 bolt panels connected to the Building power system;

(p) mechanical equipment room with ducted mechanical exhaust system;

(q) concrete floors with trowelled finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;

- (r) standard window coverings;
- (s) primary HVAC duct for cooling and primary HVAC duct for heating (heating is for perimeter zone only) to loop from the mechanical equipment room around the building core;
- (t) hot and cold air loops located within the Premises;
- (u) primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;
- (v) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;
- (w) access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building; and
- (x) gypsum board on the service core walls, columns and sills in the Premises.

ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements shall include: See Attached Specification Sheets

- (a) Tenant ceilings and lighting;
- (b) Floor finish in the Premises (except elevator lobbies and public corridors on multi-tenant floors and toilet rooms);
- (c) Interior finishes of any kind within the Premises (except elevator lobbies and public corridors on multi-tenant floors and core area toilet rooms);
- (d) Interior partitions, doors and hardware within the Premises;
- (e) Terminal boxes and reheat coils or other HVAC or air distribution devices to or within the Premises;
- (f) Tenant's furniture, fixtures and equipment, including telephones, computers and cabling therefor;
- (g) Distribution of electrical services, plumbing services and sprinklers from the core to the Premises, and domestic hot water heater and associated hot water piping;
- (h) Any and all signs for Tenant and the power therefor;
- (i) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms and extinguishers;
- (j) Additional and/or above standard electrical capacity; and
- (k) Fiber optic access.

ADDENDUM C To Landlord's Work Letter
FORM OF BUDGET

ADDENDUM D To Landlord's Work Letter
COSTS OF TENANT IMPROVEMENTS

OUTLINE SPECIFICATIONS
FOR
(COUNTY DEPARTMENT)
DPSS
335-337 East Avenue K-10, Lancaster

COUNTY OF LOS ANGELES
CHIEF ADMINISTRATIVE OFFICE
REAL ESTATE DIVISION
FACILITIES SPACE DESIGN
222 SO. HILL STREET,
LOS ANGELES, CA 90012

FILE NO. XX-XX

Contact: (Space Planner)
TELEPHONE: (213) 974-XXXX
FAX: (213) 217-4968
(e-mail address)

(Date)

DIVISION 1 – GENERAL REQUIREMENTS:

1. The Lessor shall provide tenant improvements as described herein to provide a "turn-key" space for the County of Los Angeles, (County department).
2. The Lessor and his Architect shall consider the following Outline Specifications and Preliminary Drawings prepared by the County of Los Angeles, Chief Administrative Office, as showing the County's functional utilization of space and general requirements of materials and quality of workmanship. The Outline Specifications and Preliminary Drawings are not definitive as to absolve the Lessor and his Architect and General Contractor from addressing any and all governing code requirements.
3. Scope of work shall include all labor, materials, supplies, equipment, services, specialties, transportation, and the cost thereof, required to complete tenant improvements for said project.
4. Tenant improvements shall conform to the requirements of all governing building, plumbing, mechanical, and electrical codes, and any and all other applicable requirements including State of California Administrative Code and The Americans With Disabilities Act. The Lessor shall be responsible for obtaining all necessary permits.
5. The Lessor shall submit three bids for the construction of the tenant improvements to the County for its review prior to award of contract. The bids shall include an itemized list of all materials and labor and shall include all additional costs including A/E fees, permits, contractor's profit and overhead, and project management fees. (Also see Division 12 below).
6. Upon award of the construction contract, said premises shall be turned over to the successful licensed Contractor who shall be fully responsible for the project until the work is complete and has been accepted by the Lessor and approved by the County.
7. If the existing building substantially contains materials, fixtures and equipment or other items that are in reasonably good condition to provide trouble-free service for the term of the lease (including roofing and air-conditioning etc.), those materials, fixtures, and equipment will be deemed acceptable by the County.
8. The Contractor shall repair or replace all missing, worn, or damaged construction, equipment and furnishings. Match existing or new construction, as applicable.
9. Upon completion of construction, Contractor shall wash all windows, sweep, wash and/or polish all floors, and vacuum and shampoo all carpeting. Contractor shall remove all trash and debris from the project site.
10. Submittals:
 - A. Construction Drawings and Furniture Installation Plans: Submit one set of reproducibles and four sets of blue-line prints to County for review and approval prior to start of construction or order placement.
 - B. Shop Drawings and Material Submittals: Submit to County for approval prior to order and/or fabrication.

- C. As-Built: Upon completion of project, submit one set of revised/updated contract documents on an electronic drawing file in a 3 ½ floppy disc or CD Laser disk format.
- D. Permits: Upon completion of project, submit copies of all permits, inspection cards, and certificates of occupancy.
- E. Miscellaneous: Submit three (3) copies of all warranties, operation manuals, and other pertinent information to County upon completion of project.

DIVISION 2 – SITE WORK:

- 1. Provide parking required in lease documents. Comply with all accessibility requirements of the California Administrative Code, the Americans With Disabilities Act, and the local governing jurisdiction.
- 2. Provide adequate lighting in parking garage and lot area (average lumen 2 foot-candles minimum throughout).

DIVISION 3 – CONCRETE:

(No specific requirements)

DIVISION 4 – MASONRY:

(No specific requirements)

DIVISION 5 – METALS:

(No specific requirements)

DIVISION 6 – WOOD AND PLASTICS:

- Architectural Woodwork:

- A. All cabinetry and millwork shall conform to the requirements of the Woodwork Institute of California (W.I.C.), "Custom" grade, flush overlay construction.
- B. Cabinet faces, sides, and trim shall be plastic laminate-faced.
- C. Countertops shall be plastic laminate-facing with self-edge.
- D. All cabinetry and millwork shall comply with accessibility requirements of the California Administrative Code and the Americans With Disabilities Act.
- E. Submit shop drawings to County for approval prior to fabrication.

- F. Provide cabinetry at locations shown on Preliminary Drawings:
- (Locations, including brief description):

DIVISION 7 – THERMAL AND MOISTURE PROTECTION:

1. Roof (new or existing) to be bonded and maintained for the term of the lease.
2. New interior walls to be sound-insulated.

DIVISION 8 – DOORS, WINDOWS AND GLAZING:

1. Doors:
 - A. New interior doors shall be solid-core, stain-grade, hardwood-faced.
 - B. Refinish existing doors to match new doors.
 - C. Replace existing damaged doors as required.
 - D. New door and window frames shall be hollow-metal, shop-primed; paint existing frames to match new.
 - E. Provide fire-rated assemblies, as required by code.
 - F. Provide floor-mounted doorstops, throughout.
 - G. Levers and locks shall be "Heavy-Duty Commercial" type, Schlage "D" series, "Sparta" or similar; existing hardware to match new hardware; (replace existing if required).
 - H. Provide panic hardware, as required by code.
 - I. Provide door locks at locations shown on plan; rekey existing doors as required for the new occupancy.
 - J. Provide access control keypads at locations indicated by County; see plans and specifications prepared by County Internal Services Department, Information Technology Service.
 - K. Provide viewports at locations indicated by County; (typically, all doors in public areas, corridors, and staff areas, including offices and conference rooms). Omit viewport at storage and supply rooms). Viewport frames shall match door frames. New viewports shall match existing.
 - L. Doors and door hardware shall comply with the accessibility requirements of the California Administrative Code and the Americans With Disabilities Act.
 - M. Provide kickplates at all corridor and toilet room doors.

2. Windows and Glazing:

- Provide fixed-glass interior windows at locations shown on plan.

DIVISION 9 – FINISHES:

1. Carpet:

- A. Install new carpet throughout, including corridors and existing stairways, unless otherwise shown on Preliminary Drawings.
- B. Carpet shall be 30 oz. textured level-loop, most areas; 32 oz. cut-pile carpet banding at administrative areas and conference room perimeters; glue-down installation.
- C. Specify Mannington, Masland, Designweave, Shaw Contract, or approved equal.

2. Vinyl Tile:

- A. Install vinyl tile at locations shown on Preliminary Drawings.
- B. Provide accent tile(s) in lunchrooms, and break rooms.
- C. Specify Armstrong "Excelon Premium", or approved equal.

3. Topset Base:

- A. Install 4" vinyl topset base at all new and existing walls, and cabinet bases.
- B. Specify Burke, Johnsonite, or approve equal.

4. Ceramic Tile:

- A. Install new ceramic tile in all new restroom floors, 2"x2" or 4"x4" unglazed, and restroom walls, 4"x4" glazed, full-height.
- B. Install new ceramic tile in lobbies and public areas; see Preliminary Drawings for extent.
 - Floors: 12"x12" unglazed, textured finish.
 - Base: 4" high.
- C. Specify Dal-Tile or approved equal.

5. Paint:

- A. Paint all new and existing interior spaces including, but not limited to walls, ceilings, doors, and trim. Provide one primer coat and two finish coats.
- B. Provide one base color and four accent colors:

- Office areas: eggshell finish.
 - Restrooms, lunchrooms and breakrooms: semi-gloss.
- C. Specify Frazee, Sinclair, or approved equal.
6. Ceilings:
- Replace existing damaged, stained or missing ceiling tiles as required, match existing; repair/replace damaged suspension system as required.
7. Window Coverings:
- A. Install mini-blinds at all exterior and interior windows.
 - B. Specify Levelor "Riviera" or approved equal.

DIVISION 10 – SPECIALTIES:

(Also see Division 1, paragraphs 4 and 7 above).

1. Toilet Partitions and Urinal Screens:
- Sanymetal or approved equal, overhead-braced, baked enamel finish.
2. Toilet Room Accessories:
- A. Grab bars, at accessible toilets.
 - B. Mirror, at each lavatory.
 - C. Towel Dispenser and Receptacle, semi-recessed.
 - D. Liquid Soap Dispenser, at each lavatory.
 - E. Sanitary Napkin Dispenser, at each women's restroom, recessed.
 - F. Sanitary napkin disposal, at each women's toilet.
 - G. Toilet paper dispenser, double-roll, at each toilet.
 - H. Toilet seat cover dispenser, at each toilet, recessed.
 - I. Specify Bobrick, or approved equal.
3. Signage:
- A. Provide and install all required exit, occupant load, disability, toilet room signs.
 - B. Provide signage on building exterior and building entrance doors; text to be provided by County.

C. Allow (\$) for additional signage; (Also see Division 12 below).

4. Audio / Visual:

- Provide write-and-wipe presentation boards with attached projection screen in all conference rooms, Egan, wood finish.

5. Folding Partitions:

- Provide and install folding partition at location(s) shown on Preliminary Drawings, Panelfold "Moduflex" Series 600.

7. Corner Guards:

- Provide metal wall corner guards in all corridors and public areas.

DIVISION 11 – EQUIPMENT:

A. Provide and install at each staff lunchroom and break room:

- Microwave oven, overhead-mounted.

B. Provide at each lunchroom:

- Garbage disposal.

DIVISION 12 – FURNISHINGS:

1. Lessor shall purchase, order, and install all modular systems furniture, casegoods, lateral files, and miscellaneous public waiting, conference room, lunch room tables and seating as shown on Preliminary Drawings. The furniture installation plans shall be included as an attachment to the construction drawings. Lessor shall be responsible for coordination of the delivery and installation of the furniture with the general building construction, including the hot-wire connections to the buildings' electrical and telecommunications systems.
2. Lessor shall obtain bid proposals, based on attached Preliminary Drawings from each of the following manufacturers, (no substitutions) and submit them to the County for its review prior to award of the furniture contract:
 - (3 manufacturers/dealers and product line, including contact person, telephone and e-mail address).
3. The furniture manufacturer/dealer shall field verify existing building conditions; coordinate all electrical and voice/data outlet requirements and locations with Nelson Chan, County Telecommunications Engineer, (213) 974-4237, and prepare a complete installation drawing. **Drawing shall indicate locations of all power and data infeeds; exact infeed locations subject to review and approval by County at time of installation. Power whips shall be color-coordinated with data infeed; verify color selection with County.**

4. Bid proposals shall be complete and shall clearly identify by line item each and all categories represented in the product (e.g., grade of fabric). Provide the following (see Preliminary Drawings for locations and quantities):
- A. Panels: 3-3 1/2" thick tiled acoustic, (panels over 40" high), Grade 2 or B fabric, with glass panels along aisles, tackable panels, top caps, and filler panels; see Preliminary Drawings for panel heights.
 - B. Work Surfaces: laminate top with radiused-edge detail; with grommots or clearance for cable access.
 - C. Adjustable keyboard: specify Humanscale model #2G911DG, with dual mouse pads.
 - D. Free-standing Desks, Returns, Credenzas: wood veneer; with grommots; tackable panel below hutch.
 - E. Overhead Cabinet: painted, lockable, with task light, and tackable panel.
 - F. Pedestal Drawers: full-depth, lockable, with pencil tray (@ 6/6/12 drawers).
 - G. Lateral Files: full-depth, lockable, see Drawings for heights; (4-high in open office areas).
 - H. Task, Conference Chairs: mid-back, pneumatic, with non-upholstered arms; Grade 2 or B fabric.
 - I. Management Chairs: high-back, pneumatic, with upholstered arms, Grade 3 or C fabric.
 - J. Guest Chairs: non-upholstered arms, 4 leg-base; Grade 2 or B fabric.
 - K. Management, Guest Chairs: upholstered, open wood arms and frame; Grade 3 or C fabric.
 - L. Lobby Seating: upholstered, wood arms, ganging.
 - M. Conference Tables: wood laminate, vinyl-edge; provide grommots as required.
 - N. Lunch, Break Room Chairs: polypropylene shell, armless, stackable.
 - O. Lunch, Break Room Tables: laminate, bullnose edge.
 - P. Signage: at each workstation (panel-mounted), and office (wall-mounted); text to be provided by County.

DIVISION 13 – SPECIAL CONSTRUCTION:

(No specific requirements).

DIVISION 14 – CONVEYING SYSTEMS:

(Also see Division 1, paragraph 4 above).

- Elevators:

Repair existing elevator (if required); replace interior panels and ceiling; recarpet floor.

DIVISION 15 – MECHANICAL SYSTEMS:

(Also see Division 1, paragraph 4 and 7 above).

1. Plumbing (Provide hot and cold water at all lavatories and sinks):

A. Restrooms:

- Toilet, repair/replace as required; install new sensor controls.
- Lavatory, repair/replace as required; install new sensor controls.
- Urinal, repair/replace as required; install new sensor controls.
- Service Sink (at Custodian).

B. Lunchrooms:

- Double compartment, stainless steel sink, single-lever control, with "InstaHot" water heater.

C. Electric Drinking Fountains (see Preliminary Drawing for locations):

- Wall-mounted, Haws or similar; ADA accessible.

2. Heating, Ventilating and Air Conditioning System:

Heating, ventilating, and air conditioning system shall accommodate the new occupancy. All rooms and areas shall have supply and return air. Thermostats shall have automatic change-over feature, (no manual switching from heating to cooling cycles), with metal, tamper-proof covers. Design for the following:

Summer: Outside air 98 degrees D.B., 71 degrees W.B.
Inside space conditions 78 degrees D.B.
50% relative humidity

Winter: Outside air 33 degrees D.B.
Inside space conditions 68 degrees D.B.

Balance HVAC system after occupancy. Provide HVAC Air Balance Report to County for verification and record.

Main Communications Room(s) shall have separate 24-hour system.

3. Fire Protection:

- A. Provide and install fire sprinkler and alarm system as required by governing jurisdiction.
- B. Provide and install all fire extinguishers as required by local fire marshal, and at all lunch and break rooms.

DIVISION 16 – ELECTRICAL:

1. Electrical:

- Provide convenience outlets at locations shown on Preliminary Drawings.
- A. Provide special-use outlets for printers, copies, refrigerators, garbage disposals, microwave ovens, and other uses as provided by County.
- B. Provide hot-wire connections for furniture system power and voice/data. **Verify infeed locations and color selection with County; see Division 12, paragraph 3 above.**
- C. Specify Leviton Decora Industrial Grade electrical receptacles, and Leviton Decora Commercial Grade switches, wall plates, voice, data, and video devices; Color: white.

2. Lighting:

- A. Lighting shall accommodate the new occupancy. Design for 60 footcandles (2 watts/square foot maximum) at 30" above finish floor for all areas excluding halls and restrooms.
- B. Replace damaged prismatic or parabolic louvers; new louvers shall match existing. Replace all inoperable light fixtures and inoperable ballasts.
- C. Provide emergency exit lighting system as required by governing jurisdiction.

3. Telecommunications:

- A. Provide and install conduits and equipment as required by the County of Los Angeles for voice/data, intercom, public address, intrusion alarm, security, and computer network systems.
- B. Plans and specifications prepared by the County of Los Angeles, Internal Services Department, Information Technology Services (ITS), shall be included as part of the work.
- C. For additional information, contact Nelson Chan, (213) 974-4237.